

HON. RICHARD A. JONES

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

K.M., by and through his parents and  
guardians, L.M. and E.M., individually, on  
behalf of GARRIGAN LYMAN GROUP  
HEALTH BENEFIT PLAN, and B.S., by and  
through his parents and guardians, E.S. and  
R.S., individually, on behalf of THE  
WESTERN CLEARING CORPORATION  
HEALTH BENEFIT PLAN, on behalf of  
similarly situated individuals and plans, and  
DISABILITY RIGHTS WASHINGTON,

Plaintiffs,

v.

REGENCE BLUESHIELD; and  
CAMBIA HEALTH SOLUTIONS, INC., f/k/a  
THE REGENCE GROUP,

Defendants.

NO. C13-1214-RAJ

~~[SECOND REVISED PROPOSED]~~  
ORDER:

- (1) PRELIMINARILY APPROVING  
SETTLEMENT AGREEMENT;
- (2) APPROVING AND DIRECTING  
NOTICE TO CLASS MEMBERS;  
AND
- (3) SCHEDULING A FINAL  
SETTLEMENT APPROVAL  
HEARING

1        Upon consideration of the Plaintiff's Unopposed Renewed Motion for  
 2 Preliminary Approval of Settlement Agreement (Dkt. # 79) and Unopposed Motion to  
 3 Supplement Class Notice Forms (Dkt. # 80), it is hereby ORDERED as follows:

4        (1) Based on the record before it, the Court preliminarily approves the  
 5 proposed Settlement Agreement attached as *Appendix 1* to Docket Number 73-1. The  
 6 settlement is not obviously deficient, and there is no evidence at this stage of the  
 7 proceedings of fraud, collusion or overreaching by the parties or that the rights of  
 8 absent class members were disregarded. There was extensive discovery in this case  
 9 and related cases, and counsel has sufficient experience in similar litigation to propose  
 10 this settlement. The Court's preliminary approval is subject to change pending the  
 11 outcome of the final settlement approval hearing ("Settlement Approval Hearing")  
 12 established herein.

13        (2) The Court finds that the proposed Class Notice to Regence insureds,  
 14 attached as Exhibit 1 to the Unopposed Motion to Supplement Class Notice Forms  
 15 (Dkt. # 80, pp. 4-10), and the proposed Class Notice to Asuris insureds, attached as  
 16 Exhibit 2 (Dkt. #80, pp. 11-17), when filled in with the dates and deadlines set forth  
 17 below, meet the requirements of Federal Rule of Civil Procedure 23 and the applicable  
 18 law in that they fairly and adequately describe the terms of the Agreement, give notice  
 19 of the time and place of the hearing for final approval of the Agreement, and describe  
 20 how a class member may comment on, opt out of, object to, or support the Agreement.  
 21 The Court finds that the revised Certification of Payments, Claim Form, Claim Form  
 22 Instructions and Opt-Out Form, attached as Exhibit A to the Renewed Motion for  
 23 Preliminary Approval of Settlement Agreement (Dkt. # 79-1), provide class members  
 24 with a reasonable method to file claims or opt out of the settlement. However, the  
 25 Court finds that the first paragraph of the opt-out form contains a typographical error  
 26 and also contains confusing language which may mislead class members. Accordingly,

1 the Court directs plaintiffs' counsel to make the following changes to the first  
2 paragraph of the opt-out form:

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4 This form is to be completed only by those individuals who  
5 are Class Members but do NOT wish to remain as Class  
6 Members and who do NOT want a monetary award from  
7 the settlement. If you are not a Class Member, then you  
8 should not return this form. If you are a Class Member and  
9 want to make a claim for reimbursement from the  
10 settlement, do not return this form. This form is only for  
11 Class members who have elected to exclude themselves  
12 from the settlement.

13 The Court directs Regence to mail the revised Notices of Settlement and claim form  
14 and opt-out material (including the above modification) to all Regence or Asuris  
15 Northwest Health subscribers and former subscribers who were covered under a  
16 Regence or Asuris plan issued in Washington during the class period, as required by  
17 the proposed Settlement Agreement, ¶2.2.3.1(1).

18 (3) Regence shall complete its mailing of the Notice to Class Members within  
19 28 days of entry of this Order. The Court concludes that direct mail notice to Class  
20 members is the best notice practicable under the circumstances. Regence shall also  
21 prominently post, on its webpage, a link to the settlement agreement, notice, and claim  
22 form/opt out material by this date.

23 (4) Class counsel's proposed webpage notice and protocol, as set forth in the  
24 Settlement Agreement at ¶2.2.3.2, is also approved. Class counsel shall establish and  
25 maintain the web-based notice within 21 days of this Order.

26 (5) Claims by class members must be received by the claims processor within  
105 days of this Order.

1 (6) Class counsel shall file its application for attorney fees, costs and  
2 incentive awards within 21 days of this Order. This application shall also be posted on  
3 the settlement webpage.

4 (7) Class members who wish to comment on, opt out of or object to the  
5 proposed Settlement Agreement must submit written comments and/or objections to  
6 the claims processor within 105 days of this Order. The claims processor shall  
7 promptly provide copies to counsel for each party, and file any material with the  
8 Court.

9 (8) Class members who wish to appear at the final Settlement Approval  
10 hearing may do so if they submit written notice that they intend to appear in person or  
11 through counsel. If Class members wish to appear in person or through counsel at the  
12 hearing, they must also describe the nature of their comment or objection in their  
13 written notice of intent to appear. Written notice of intent to appear must be received  
14 by the claims processor within 105 days of this Order. The claims processor shall  
15 promptly provide copies to counsel for each party, and file any material with the  
16 Court.

17 (9) A Motion for Final Approval of the Settlement Agreement and responses  
18 to comments and objections, together with the expected recoveries for class members  
19 and any supporting declarations or other documentation, must be filed within 126 days  
20 of this Order. This motion shall be posted on the settlement webpage.

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1 (10) A hearing to consider whether the proposed Settlement Agreement is  
2 fair, reasonable and adequate and should be finally approved is scheduled for  
3 September 11, 2015 at 9:00 a.m. at the United States Courthouse located at 700 Stewart  
4 Street, 13th Floor, Seattle, Washington 98101.

5 It is so ORDERED this 22nd day of April, 2015.  
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11 The Honorable Richard A. Jones  
12 United States District Judge  
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